



Friday, January 14, 2022

Global economy projected to grow by 4% in 2022, 3.5% in 2023 -- UN report

After expanding by 5.5% in 2021, the global output is projected to grow by only 4% in 2022 and 3.5% in 2023, according to the United Nations World Economic Situation and Prospects (WESP) 2022, which was launched Thursday. The report said that the global economic recovery is facing significant headwinds amid new waves of COVID-19 infections. (www.xinhuanet.com 14/01/22)

Over half of central banks modified collateral policies during the pandemic

A majority of central banks changed their collateral policies during the pandemic, the Risk Management Benchmarks 2022 reveal. Of 23 central banks that answered this question, 13 (57%) said they modified their lending operations. At least nine reduced haircuts on banks' collateral. (www.centralbanking.com 13/01/22)

Eurozone industrial production recovered in November

Eurozone industrial production rose for the first time in four months in Nov. data from Eurostat shows. Production grew 2.3% month-on-month following a 1.3% fall in the previous month. The increase was the first since July. Economists had forecast a 0.5% gain. Production of non-durable consumer goods rose 3.2% and that of capital goods increased 1.5 %. (www.rttnews.com 12/01/22).

US Supreme Court blocks Biden vaccine-or-test policy for large businesses

The US Supreme Court on Thursday blocked President Joe Biden's COVID-19 vaccination-or-testing mandate for large businesses - a policy the conservative justices deemed an improper imposition on the lives and health of many Americans - while endorsing a separate federal vaccine requirement for healthcare facilities. (www.reuters.com 14/01/22).

US jobless claims unexpectedly rise to eight-week high

First-time claims for US unemployment benefits unexpectedly increased in the week ended January 8, according to a report released by the Labor Department. The report said, initial jobless claims rose to 230,000, an increase of 23,000 from the previous week's unrevised level of 207,000. Economists had expected jobless claims to edge down to 200,000. (www.rttnews.com 13/01/22)

China's foreign trade up 21.4% in 2021

China's total goods imports and exports expanded 21.4% year on year to ¥39.1tr (\$6.14 tr) in 2021, official data shows. Exports rose 21.2% while imports went up 21.5%, according to the General Administration of Customs. (www.xinhuanet.com 14/01/22)

China's PPI up 10.3% in December

China's producer price index which measures costs for goods at the factory gate, went up 10.3% year on year in Dec. the National Bureau of Statistics (NBS) has said. The figure shrunk from the 12.9% year-on-year increase registered in Nov. China's PPI rose 8.1% year on year in 2021, NBS data showed. (www.xinhuanet.com 12/01/22)

UK and India launch trade talks 'worth billions'

Britain and India have concluded their first day of talks about a potential free trade deal in New Delhi. The aim is to have an agreement signed by the end of the year to boost trade by billions of pounds. (www.bbc.com 13/01/22)

Japan producer prices slid 0.2% in Dec.

Producer prices in Japan were down 0.2% on month in Dec. the Bank of Japan said on Friday. That missed expectations for an increase of 0.3% and was down from the upwardly revised 0.7% in Nov. (www.rttnews.com 13/01/22)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3746	(1.3693)	1.3747	(1.3694)
+USD/EUR	1.1476	(1.1425)	1.1476	(1.1426)
*GHS/USD	6.0032	(6.0032)	6.0092	(6.0092)
*GHS/GBP	8.2520	(8.2202)	8.2609	(8.2290)
*GHS/EUR	6.8893	(6.8593)	6.8955	(6.8661)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 14/01/22 (Rates for 13/01/22 in brackets)

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Italy industrial production growth exceeds expectation

Italy's industrial production growth accelerated more than expected in Nov. the statistical office has said. Industrial production grew by calendar adjusted 6.3% on a yearly basis in Nov. much faster than the 1.9% increase in Oct. and the economists' forecast of +3.7%. Production growth on unadjusted terms also came in at 6.3%, reversing a 1.2% fall in Oct. (www.rttnews.com 13/01/22)

Turkish industrial production rise

Turkey's industrial production and retail sales increased in Nov. data from Turkstat shows. Industrial production increased 11.4% annually in Nov. following an 8.7% rise in Oct. Among the sub-sectors, output in manufacturing grew 12.5% annually in Nov. and that in mining and quarrying increased 7.5%. (www.rttnews.com 13/01/22)

SK raises rate 3rd time

The Bank of Korea raised its base rate by another 25 basis points to 1.25% and now raised to 75 basis points following rate hikes in Aug. Nov and now. In Nov. the bank's monetary board said it would appropriately adjust the degree of policy accommodation as the economy is expected to continue to grow. (www.centralbanknews.info 13/01/22)

Greece inflation increased in December

Greece's consumer prices increased in Dec. the Hellenic Statistical Authority shows. The CPI rose 5.1% year-on-year in Dec. following a 4.8% increase in Nov. Prices for housing grew 18.0% annually in Dec. and transport gained 10.9%. On a monthly basis, consumer prices rose 0.7% in Dec. following a 0.5% increase in the prior month. (www.rttnews.com 13/01/22)

Sweden unemployment rate steady at 7.2%

Sweden's jobless rate remained stable in Dec. the Public Employment Service has said. The unadjusted unemployment rate remained unchanged at 7.2% in Dec. In the same month last year, the jobless rate was 8.8%. The number of unemployed fell to 370,455 persons in Dec. from 456,453 persons a year ago. (www.rttnews.com 13/01/22)

Crude oil prices pull back off two-month highs

After ending the previous session at a two-month closing high, the price of crude oil gave back some ground during trading on Thursday. Crude for Feb. delivery slid \$0.52 or 0.6% to \$82.12 a barrel after jumping \$1.42 or 1.7% to \$82.64 a barrel in the previous session. The pullback by the price of crude oil may partly have reflected traders cashing on the recent strength. (www.rttnews.com 13/01/22).

Higher interest rates to challenge gold in 2022

As central banks react to high inflation, higher interest rates are likely to reduce gold's attractiveness in 2022. Nonetheless, both nominal and real interest rates are likely to remain at historically low levels. And gold has tended to perform better during periods of high inflation. (www.centralbanking.com 13/01/22)

AfCFTA, partners launch cross-border payment system to boost trade

The African Continental Free Trade Area (AfCFTA) Secretariat, African Export-Import (Afrexim) Bank and other partners have launched the Pan-African Payment and Settlement System (PAPSS) to boost the intra-African trade, after the successful piloting of the system in the six West African Monetary Zone countries (www.xinhuanet.com 14/01/22)

Nigeria: Forex reserve depletion could push Central Bank to increase interest rates

The Central Bank of Nigeria may need to tighten monetary conditions, in form of higher rates, in line with the global trend of managing foreign currency reserve depletion. (www.norvanreports.com 13/01/22).

Ghana debt moves deeper into distress as investors lose patience

As the era of cheap money draws to an end, bondholders are no longer prepared to cut Ghana any slack. Dollar bonds have slumped 10% in 10 days, moving deeper into distressed territory as investors judge that re-financing debt in the Eurobond market won't be an option when the Federal Reserve hikes rates. (www.norvanreports.com 13/01/22)

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